## REMARKS/ARGUMENTS

This Amendment is being filed in response to the Final Office Action dated November 24, 2010. Reconsideration and allowance of the application in view of the remarks to follow are respectfully requested.

Claims 1-6, 8-14, 18 and 21-24 are pending in the Application. Claims 4-6, 8-14, and 21-24 are withdrawn. Claim 1 is the sole independent claim.

In the Final Office Action, claims 1-3 and 18 are rejected under 35 U.S.C. §103(a) over U.S. Patent No. 6,262,833 to Loxley ("Loxley") in view of U.S. Patent No. 4,041,481 to Sato ("Sato") in further view of U.S. Patent Publication No. 2004/0231987 to Sterling ("Sterling"). These rejections are respectfully traversed. It is respectfully submitted that the rejected claims are allowable over the prior art for at least the following reasons.

It is undisputed that Loxley does not teach the driving means providing variable voltages prior to applying a fixed voltage, wherein the variable voltages comprise alternating voltages (see, Final Office Action, bottom of page 2). The Final Office Action references Sato for teaching that which is admitted to be absent in Loxley. At page 4, the Office Action admits that Loxley and Sato fail to teach that the second fluid is electro conductive or polar, and references Sterling for showing that claim recitation. However, it is respectfully submitted that reliance on Sterling is misplaced. In the Final Office Action referenced paragraph [0075], Sterling states that "ground electrodes 32 may be covered by at least a portion of the fluid compatibility layer 118a". It however is respectfully submitted that this does not rise to a level of teaching or suggesting "the second fluid being electroconductive or polar", as recited in claim 1.

Further, claim 1 is amended to clarify its recitations. In particular claim 1 recites "a driver for moving the first fluid or breaking it up into small droplets by applying voltages to the first and second electrodes of the optical switch". In contrast, Loxley shows particles 12 contained in the fluid 6 moving towards the electrode (see, Loxley, FIGs. 1 and 2), not the fluid itself as recited in claim 1. Sato similarly describes charged (electrophoretic) colored particles dispersed in liquid. The charged particles are electrophoretically attracted to and move toward one of the two electrodes. Sterling does not describe charged particles, or any fluids immiscible with each other, accordingly, Sterling does not remedy the deficiency in Loxley and Sato in describing moving of the first fluid or breaking it up as recited in claim 1.

It is respectfully submitted that the display device of claim 1 is not anticipated or made obvious by the teachings of Loxley in view of Sato in further view of Sterling. For example, Loxley in view of Sato in further view of Sterling does not teach, disclose or suggest, a display device that amongst other patentable elements, comprises (illustrative emphasis added) "at least one first fluid and a second fluid immiscible with each other above a first support plate, the second fluid being electro-conductive or polar; a driver for moving the first fluid or breaking it up into small droplets by applying voltages to the first and second electrodes of the optical switch, the voltages are associated with a plurality of electro-optical states of the picture element in a range between and including a first extreme state and a second extreme state, wherein during selection of the at least one picture element, the driver provides variable voltages to the picture element prior to applying a fixed voltage associated with an electro-optical state of the picture element that

corresponds to a desired image grayscale to be set, the provided variable voltages having a mean voltage substantially equal to the fixed voltage " as recited in claim 1.

Based on the foregoing, the Applicants respectfully submit that independent claim 1 is patentable and notice to this effect is earnestly solicited. The dependent claims respectively depend from independent claim 1 and accordingly are allowable for at least this reason as well as for the separately patentable elements contained in each of the claims. Accordingly, separate consideration of each of the dependent claims is respectfully requested.

In addition, Applicants deny any statement, position or averment of the Examiner that is not specifically addressed by the foregoing argument and response. Any rejections and/or points of argument not addressed would appear to be moot in view of the presented remarks. However, the Applicants reserve the right to submit further arguments in support of the above stated position, should that become necessary. No arguments are waived and none of the Examiner's statements are conceded.

Patent

Serial No. 10/574,448 Amendment in Reply to Final Office Action of November 24, 2010

Applicants have made a diligent and sincere effort to place this application in condition for immediate allowance and notice to this effect is earnestly solicited.

Respectfully submitted,

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